

July 26, 1997

Dan Keppen  
Water Resources Engineer  
Tehama County Public Works  
9380 San Benito Avenue  
Gerber, CA 96035

*Dan*  
Dear Mr. Keppen:

Thank you for your letter of July 7, 1997 in which you requested a written response to the position statements and recommendations that the Northern Sacramento Valley CALFED Advisory Group has forwarded to CALFED. It was my understanding that we had discussed our responses to your concerns at length during our last meeting; nevertheless, a written response is overdue and I apologize for the delay. I will respond to each of your position statements in turn.

### Response to Key Position Statements

#### **1. New surface water facilities must be emphasized over groundwater banking and conjunctive use.**

As part of its programmatic EIR/EIS, CALFED is analyzing several potential storage options, including both new surface water facilities and conjunctive use/groundwater banking. At the programmatic level, we will not emphasize any particular storage option over another; rather, each storage component will be evaluated on its individual merits and on its merits in the context of the state water resources development system. Your position statement may be referring to a priority ranking of storage options developed by CALFED staff, which ranks conjunctive use and groundwater banking higher than new surface water facilities. This priority ranking is meant to be a useful shorthand which generally reflects the relative impacts of the various storage options. It does not preclude the consideration of new surface water storage facilities, nor will it bias the analysis of various storage options. CALFED has organized a multi-disciplinary, interagency team to screen surface storage components, evaluating each option based upon its individual merits. The storage scenarios being studied contain as much as 5.7 million acre-feet of new surface storage, while the maximum groundwater storage totals one million acre-feet.

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#### **CALFED Agencies**

##### **California**

The Resources Agency  
Department of Fish and Game  
Department of Water Resources  
California Environmental Protection Agency  
State Water Resources Control Board

##### **Federal**

Environmental Protection Agency  
Department of the Interior  
Fish and Wildlife Service  
Bureau of Reclamation  
Department of Commerce  
National Marine Fisheries Service

**2. Conjunctive use should only be pursued after new upstream surface storage facilities.**

Again, each storage option will be evaluated on its individual merits; no storage option will be emphasized over another during the programmatic level of analysis. I should note, however, that our concept of conjunctive use includes surface recharge facilities, such that both may be pursued concurrently.

**3. Groundwater transfers must comply with local ordinances and regulations.**

I encourage you and your members to attend the new BDAC Water Transfers Work Group, which holds its first meeting on August 7<sup>th</sup>. This new Work Group will address the various issues that surround water transfers and provide policy recommendations for BDAC and the CALFED agencies. A critical component of this Work Group's efforts will be identifying and addressing the potential impacts of water transfers. The BDAC Assurances Work Group would also be an appropriate forum for your participation since it is exploring the assurance needs of the various stakeholder groups. Consistent with the Governor's 1997 water policy transfers include integration of local government into the decision making process.

**4. CALFED must formally recognize existing water rights, area of origin protections, and the Watershed Protection Act.**

The CALFED Program will comply with all existing laws and regulations, and our analysis of the benefits and impacts of the solution alternatives will examine impacts upon Area of Origin and other California water rights laws.

**5. The CALFED financial plan must include significant financial commitments from state and federal agencies.**

We do expect that public funds will be available to help pay for public benefits. As you know, significant funds have already been committed to the CALFED solution in the form of Proposition 204 funds, and Congress is currently deliberating on the level of federal matching funds. The specific allocation of state, federal and user funding for facilities must be addressed over the next year.

**6. CALFED restoration efforts must provide for strong local input.**

CALFED's approach to ecosystem restoration has been built with strong local input. Through the BDAC Ecosystem Restoration Work Group, stakeholders have helped CALFED define the ecological problems of the Bay-Delta and formulate potential solutions. Stakeholders have also provided extensive review of CALFED's Ecosystem Restoration

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Program Plan. We value this public participation and will continue to welcome it as we move from the planning stage to implementation.

**7. Fallowing farmland is undesirable/unacceptable.**

CALFED does not have a specific goal to fallow or retire farmland. It may occur, however, that farmland or rangeland will be fallowed or retired as an indirect function of potential CALFED Program elements such as water transfers, habitat restoration, or new reservoir storage. As part of its CEQA review, CALFED will be evaluating impacts to prime and unique farmland and will attempt to avoid, minimize and mitigate such impacts as much as possible.

**8. CALFED must employ good science.**

CALFED staff has used the best available science through both agency and stakeholder experts. For instance, we have made every effort to quantify targets in the Ecosystem Restoration Program Plan (ERPP) based upon available scientific information. CALFED will also convene an independent scientific review panel this autumn to evaluate the ERPP. We realize, however, that scientific knowledge of the Bay-Delta ecosystem is limited in many areas, which is why CALFED is adopting the adaptive management approach. Adaptive management encourages actions designed specifically to enhance our scientific understanding of ecosystem processes so that resource management practices can be revised to be more effective. CALFED is committed to using good science.

**Recommendations of the Flood Management Committee**

**1. CALFED must construct upstream surface storage in the Sacramento Valley for flood control**

Many of CALFED's program elements will provide multiple benefits, and I expect that improved flood management will be an indirect benefit of several actions. As I mentioned previously, CALFED is currently screening a range of storage options that include potential multi-purpose surface water facilities, as you suggest. Many of our common program elements will also yield flood management opportunities. Our Levee System Integrity Program is designed to strengthen and maintain levees so that they meet Army

Corps of Engineers PL-99 standards, thus reducing flood risk associated with levee failure. Setback levees can provide additional in-channel storage capacity as well as increase flood flow capacity by increasing the cross sectional area of a channel. Wetland and riparian habitat restoration projects can help absorb flood flows and stabilize levees with root mats. CALFED is also exploring the use of flood easements as a means of achieving both flood and habitat benefits. During our programmatic evaluation, we will consider the potential

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flood control benefits and impacts of all program elements, including our storage, levee system integrity, and ecosystem restoration components.

## **2. Impacts of setback levees must be scrutinized closely**

CALFED will carefully identify and evaluate both the benefits and the impacts associated with setback levees. As just mentioned, setback levees may improve flood management by increasing channel capacity, as well as restoring more natural hydrologic functions by reconnecting a river with part of its historical floodplain and re-establishing vegetative successional stages. We realize, however, that we must analyze how setback levees will work in conjunction with downstream levees that are not set back, as well as restrictive infrastructure "hard points," so as not to create hydrologic choke points that can exacerbate flooding impacts. We also recognize the need to evaluate the economic benefits and impacts of setback levees, which may include such impacts as the potential loss of tax revenue from converted land, as well as such benefits as reduced costs associated with flood damage. Clearly, our goal will be to implement actions that improve, rather than degrade, flood management.

## **3. CALFED must develop a "safe harbor" program**

Program and CALFED agency staff have begun the planning process for creating a Habitat Conservation Plan (HCP) under the auspices of the Endangered Species Act. HCPs can be effective tools to encourage habitat enhancement by providing landowners with assurances, as you suggest. CALFED will host three scoping sessions regarding the HCP in the month of September. Please check our public involvement calendar on our website ([calfed.ca.gov](http://calfed.ca.gov)) or call the CALFED Event line at 916/654-9924 for HCP scoping meeting dates.

## **4. Ecosystem Restoration efforts must not increase flood risk to essential facilities**

As with setback levees, we will evaluate both the flood management benefits and impacts of the program's ecosystem restoration component. Again, our goal will be to implement actions that improve, rather than degrade, flood management.

### **Recommendations specific to the Sacramento River**

#### **1. CALFED should establish a locally managed SB 1086-type Conservation Area Committee**

We agree that locally based ecosystem management must be part of the long-term management of the Bay-Delta ecosystem. Local stakeholder involvement in ecosystem

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management can not only provide local expertise, but also potentially catalyze several associated benefits, such as the integration of ecosystem management within the city/county general planning process and the development of local stewardship programs. In order to combat a fragmented approach to managing the Bay-Delta ecosystem, we envision regional coordination of such local efforts.

## **2. CALFED must establish liability for "limited meander" projects**

We will evaluate the potential impacts of our ecosystem restoration component, including limited meander projects, as we develop the programmatic EIR/EIS. Establishing liability for potential impacts of limited meander projects is more relevant to the site-specific, full detailed environmental assessments of Phase III.

## **3. CALFED should streamline the environmental permitting process.**

We agree with your goal of streamlining environmental permitting, though I do not think this is a goal that should be limited to the Sacramento Valley. CALFED is unique in the level of cooperation and coordination among both state and federal agencies, which provides us with significant opportunities to create innovations in government process, including regulatory permitting. The preferred alternative may include suggestions for improving regulatory permitting as part of an assurances or legislative packet, which could be pursued in Phase III of the Program. Streamlining the permitting process could not only benefit permittees, but also permitting agencies by freeing up limited agency resources.

### **Recommendation of the Groundwater Committee**

## **1. CALFED should address water supply problems for the entire state**

CALFED is not charged with solving California's water problems; rather, our mandate is to address issues, including water supply issues, as they relate to the Bay-Delta system, including tributary watersheds. Our water supply reliability objective is to reduce the mismatch between supply and demand for Bay-Delta water supplies. We will evaluate a range of storage and conveyance options as part of the programmatic EIR/EIS, and by addressing water supply reliability for the Bay-Delta, which is such an important part of the state's water supply system, we may directly address a significant portion of the state's water supply problem. However, we will not evaluate these storage options, nor will we define water supply reliability, with the specific goal of satisfying future water needs for the entire state.

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**2. Proposed conjunctive use definitions and programs must be reliable and consistent**

CALFED is employing a methodical, three-stage approach to conjunctive use programs. The first stage consists of outreach to local communities. Our outreach consultant, Anthony Saracino, has been meeting with local interests to learn more about specific local concerns and interests. Mr. Saracino (916-688-5807) will be pleased to work with you to address your concerns regarding CALFED's groundwater/conjunctive use program. The second stage includes pilot projects, monitoring and modeling programs. Stage three would include implementation of conjunctive use or groundwater banking with appropriate local controls, monitoring, and mitigation for any significant adverse impacts.

**3. Upstream storage must be constructed before implementation of conjunctive use**

See response to Position Statements #1 and #2 on page 1 of this letter.

**4. Proposed groundwater programs should comply with local groundwater management and ordinances**

See response to Position Statement #3 on page 1 of this letter. Again, I want to encourage your attendance in the Water Transfers Work Group and Assurances Work Group.

**5. CALFED must coordinate with DWR to assess the combined impact of all proposed groundwater substitution, groundwater banking, and conjunctive use programs**

As part of the programmatic EIR/EIS that CALFED is preparing, we will compare the solution alternatives to a No Action alternative in order to assess the benefits and impacts of each of the solution alternatives. DWR's Supplemental Water Purchase Program (SWWP) did not match our criteria for inclusion in the No Action alternative; consequently, CALFED's programmatic EIR/EIS will discuss in general the potential impacts and benefits of groundwater management programs that are part of our solution alternatives. We agree that the potential combined impacts of various groundwater programs need to be evaluated prior to implementation, and the full, detailed impact assessments of Phase III will provide the opportunity for a detailed account of all existing groundwater programs.

**Recommendations of the Storage and Conveyance Committee**

**1. CALFED must construct upstream storage facilities**

See response to Position Statements #1 and #2 on page 1 of this letter. CALFED is engaged in a programmatic level of analysis, which means that our analysis of storage options in

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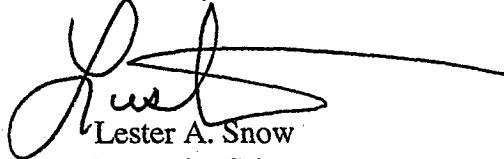
Phase II will address general locations of potential storage sites (north-of-delta, in-delta, and/or south-of-delta) and a general range of storage volumes for each general location (up to 5.7 million acre-feet of surface storage, for example). We will conduct pre-feasibility studies on several potential storage sites to support our programmatic analysis. We are also coordinating close with DWR Northern District staff, which has begun pre-feasibility studies of off-stream storage options as directed by proposition 204, Section 78656.

## **2. CALFED should extend/expand the Tehama-Colusa Canal**

CALFED is exploring both the extension and the expansion of the Tehama-Colusa Canal; however, detailed modeling of specific facilities would occur in Phase III.

Thank you for your concerns. I want to encourage your continued participation in the CALFED process, including participation in the Water Transfers and Assurances Work Groups, which may address many of the concerns expressed in your letter. I also look forward to your input when the draft evaluation documents are circulated for review and comment.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lester A. Snow', with a long horizontal flourish extending to the right.

Lester A. Snow  
Executive Director